

**AN ORDINANCE AUTHORIZING THE EXECUTION OF A
FINANCIAL AGREEMENT WITH NORTH BRUNSWICK CRESCENT URBAN
RENEWAL LLC, OR ITS SUCCESSORS AND/OR ASSIGNS WHICH ARE
AFFILIATED WITH NORTH BRUNSWICK CRESCENT LLC, FOR AN URBAN
RENEWAL PROJECT LOCATED AT CRESCENT COURT,
NORTH BRUNSWICK, MIDDLESEX COUNTY, NEW JERSEY**

WHEREAS, the Township Council of the Township of North Brunswick ("Township"), on March 4, 2013, previously adopted an ordinance approving and adopting the Oak Leaf Village Redevelopment Plan (the "Redevelopment Plan") in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the "Redevelopment Law"); and

WHEREAS, the Redevelopment Plan relates to certain properties within the Township of North Brunswick, specifically, Crescent Court, North Brunswick, New Jersey, more particularly known and referred to as Block 30, Lot 2.01 on the Official Tax Map of the Township of North Brunswick, County of Middlesex, State of New Jersey; and

WHEREAS, North Brunswick Crescent Urban Renewal LLC ("NB Crescent") is a New Jersey Limited Liability Company and an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.; and

WHEREAS, NB Crescent purchased Oak Leaf Village Apartments in 2012 for the purpose of rehabilitating the 184 unit property and maintaining it as an affordable housing development (the "Project"); and

WHEREAS, NB Crescent had previously requested and received approval on March 18, 2013, for a grant of a Long Term Tax Exemption for this project, now known as North Brunswick Crescent and located at Crescent Court, North Brunswick, New Jersey; and

WHEREAS, anticipated financing for the original concept of the Project was not completed due to, among things, increased interest rates; and

WHEREAS, NB Crescent now has determined that in order to secure the proper financing to carry out the redevelopment of the site, that it will need to subdivide the site into two parcels and finance each parcel separately, and is in the process of making application to the Township Planning Board for said subdivision approval, which would create Proposed Lots 2.02 and 2.03 ; and

WHEREAS, as part of this new financing 80 units of low and moderate income housing (which shall be restricted for use by households earning 60% or less of the area median income) and a 2,250 square foot Community Building, to be located on Proposed Lot 2.03 (the "Marigold Project"), will be transferred to a new Urban Renewal entity, which is currently being formed, to be called Marigold Crescent Urban Renewal LLC ("Marigold Crescent") and which is affiliated with NB Crescent; and

WHEREAS, pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.: NB Crescent, in its own name and on behalf of Marigold Crescent, has submitted a written application ("Application") attached hereto and made a part hereof as **Exhibit "A"** and form of financial agreement ("Financial Agreement") attached hereto and made a part hereof as **Exhibit "B"** to the Township for approval of a long term tax exemption for improvements to be constructed in connection with the Marigold Project; and

WHEREAS, the Township Administration and Council have determined that the Marigold Project would fulfill a public purpose and fulfill the Townships Affordable Housing obligations by providing additional low and moderate income housing within the Township; and

WHEREAS, the Township will receive payments in lieu of taxes from Marigold Crescent, in the amount of 10% of the annual Gross Sheltered Rents, where Gross Sheltered Rents is defined as Gross Rents, less vacancy and project paid utilities (water, sewer, gas, electric); and

WHEREAS, pursuant to N.J.S.A. 40A:20-8, the Township Administration and Council have reviewed NB Crescents Application and the proposed Financial Agreement and finds same to be acceptable and in compliance with the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. and recommends that the Application be approved and the Financial Agreement be entered into with NB Crescent and/or its successors and/or assigns which are affiliated with NB Crescent, for the grant of a Long Term Tax Exemption in connection with the Marigold Project.

NOW THEREFORE, BE IT ORDAINED, by the Township Council of the Township of North Brunswick, County of Middlesex and State of New Jersey, that the Exemption Application as described and defined hereinabove and attached hereto as **Exhibit "A"** is hereby authorized, accepted, and approved; and

BE IT FURTHER ORDAINED, that the Financial Agreement as described and defined hereinabove be and is hereby authorized to be executed and delivered on behalf of the Township of North Brunswick by the Mayor in substantially the form attached hereto as Exhibit "B", with such changes as the Mayor in his sole discretion, after consultation with such counsel and any advisors to the Township of North Brunswick (collectively, the "Township Consultants") shall determine, such determination to be conclusively evidenced by the execution of the Financial Agreement by the Mayor as determined hereunder, and that the Township Clerk is hereby authorized and directed to attest to the execution of the Financial Agreement by the Mayor as determined hereunder and to affix the corporate seal of the Township of North Brunswick to the Financial Agreement: provided however the execution of the Financial Agreement by the Township and therefore the effectiveness thereof shall be conditioned upon receipt by the Township of evidence from Marigold Crescent that the New Jersey Housing and Mortgage Finance Agency has awarded Low Income Housing Tax Credits for the project to be known as Marigold Crescent; and

BE IT FURTHER ORDAINED, that until the Financial Agreement for the Marigold Crescent project is executed, the existing Financial Agreement for North Brunswick Crescent dated April 18, 2013 shall remain in full force and affect; and

BE IT FURTHER ORDAINED, that the Mayor is hereby further authorized and directed to: (i) execute and deliver and the Township Clerk is hereby further authorized and directed to attest to such execution and to affix the corporate seal of the Township of North Brunswick to, any document, instrument or certificate deemed necessary, desirable or convenient by the Mayor or the Township Clerk, as applicable, in their respective sole discretion, after consultation with the Township Consultants, to be executed in connection with the execution and delivery of the Financial Agreement and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document; and (ii) perform such other actions as the Mayor may deem necessary, desirable or convenient in relation to the execution and delivery thereof; and

BE IT FURTHER ORDAINED, that NB Crescent, or its successors or assigns which are affiliated with NB Crescent, shall submit annually, within 90 days after the close of its fiscal year, its auditor's reports to the Mayor and Township Council and to the Director of the Local Government Services in the DCA; and

BE IT FURTHER ORDAINED, that NB Crescent, or its successors or assigns which are affiliated with NB Crescent, shall upon request, permit inspection of property, equipment, buildings and other aspects of its facilities, and also permit examination and audit of its books, contracts, records, documents and papers by authorized representatives of the Township; and

BE IT FURTHER ORDAINED, that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause, or provision so adjudicated, and the remainder of the Ordinance shall be deemed valid and effective; and

BE IT FURTHER ORDAINED, that any ordinance or parts thereof in conflict with the provisions of this Ordinance are repealed to the extent of such conflict; and

BE IT FURTHER ORDAINED, that this Ordinance shall take effect upon passage and publication in accordance with applicable law.

TITLE

This Ordinance shall be known and may be cited as the Ordinance authorizing the execution of a financial agreement with North Brunswick Crescent Urban Renewal LLC, or its successors and/or assigns which are affiliated with North Brunswick Crescent Urban Renewal LLC, for an urban renewal project to be known as Marigold Crescent, located at Crescent Court, North Brunswick, Middlesex County, New Jersey.